

INDEPENDENT ACCOUNTANTS REPORT

To: Rhode Island Film & Television Office
1 Capitol Hill, 3rd Floor
Providence, RI 02908

We have examined the accompanying schedule of state certified production costs and significant assumptions for the motion picture production of <<title>> as of <<month>> <<day>>, <<year>>. The management of <<name of production company>> (the Company) is responsible for the schedule of state certified production costs and the significant assumptions. Our responsibility is to express an opinion based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and, accordingly, included examining, on a test basis, evidence supporting the company's production schedule of state certified production costs and significant assumptions and performing other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion.

In our opinion, the schedule referred to above presents, in all material respects, the state certified production costs incurred and paid and significant assumptions as of <<month>> <<day>>, <<year>> based on the State of Rhode Island Motion Picture Production Tax Credits authorized under Rhode Island General Law 44-31.2.5 enacted April 14, 2006. We have no responsibility to update this report for any revisions provided to us by the company or pursuant to the aforementioned Rhode Island General Law 44-31.2.5.

This report is intended solely for the use of <<name of production company>> in obtaining a Motion Picture Production Tax Credit from the State of Rhode Island, the Rhode Island Film & Television Office, and Division of Taxation. Any other person, corporation or other entity may not rely upon it for any purpose. Accordingly, this report is not intended for and should not be used by anyone other than these specified parties. This information is being submitted to the Rhode Island Film and Television Office with the understanding that there has been no waiver of the proprietary information reflected in this report, nor should such a waiver be inferred, and that this report and the information contained therein will not be available for release to the general public or media without the prior written approval of the production company and all other affected parties. This opinion addresses only the present state of facts. We make no representation or warranty as to the future amount or nature of any credit.

<<NAME OF PRODUCTION COMPANY>>
SCHEDULE OF STATE CERTIFIED PRODUCTION COSTS
AS OF <<MONTH>> <<DAY>>, <<YEAR>>

	<u>Total Qualified Production</u> <u>Costs Paid</u>
Payroll, Loan-out Companies & Related Expenses	\$
Catering & Meals	
Entertainment	
Materials & Supplies (Note 3)	
Vehicle Expenses	
Vehicle Rentals (Note 3)	
Repairs & Maintenance	
Equipment & Box Rentals	
Outside Services	
Travel & Accommodations	
Casting Expense	
Wardrobe (Note 3)	
Raw Stock	
Creative Purchases (Note 3)	
Set Construction Purchases (Note 3)	
Shipping	
Rubbish Removal	
Telephone & Postage	
Location Rentals & Expenses	
Location Scouting & Expenses	
Legal & Accounting	
Film Processing (Note 4)	_____
 Total (Note 2)	
 Credit Computation Percentage	 _____ 0.25
 Rhode Island Motion Picture Production Tax Credit	 \$ _____

<<NAME OF PRODUCTION COMPANY>>
NOTES TO SCHEDULE OF STATE CERTIFIED PRODUCTION COSTS
AS OF <<MONTH>> <<DAY>>, <<YEAR>>

NOTE 1 - NATURE OF BUSINESS

<<name of production company>> was organized on <<month>> <<day>>, <<year>> as a limited liability company pursuant to the provisions of Chapter 7-16 of the general laws of the State of Rhode Island, 1956. The Company was organized to produce a feature motion picture. The Company's federal identification number is <<federal identification number>>.

During the period of pre-production and production, the Company's Rhode Island office was located at <<full address>> .

The contact person is << name>>.

The Company's production was certified on <<month>> <<day>>, <<year>> as a "state certified production", with the unique identifying number <<certification number>>.

The Company's post-production office is located at <<full address>>.

The Company's principal photography unit was physically on the ground in Rhode Island for <<number of>> days, excluding weekends, in <<year>>. Pre-production time began <<month>> <<day>>, <<year>> and principal photography time commenced <<month>> <<day>>, <<year>> and ended <<month>> <<day>>, <<year>>. The Company completed wrap-up of the production on <<month>> <<day>>, <<year>>.

NOTE 2 - SUMMARY OF SIGNIFICANT ASSUMPTIONS

Salaries, wages and other compensation, including payments to loan-out companies and related benefits, of persons employed, either directly or indirectly, in the production of the film including writers, motion picture directors and producers (provided the work is performed in the State of Rhode Island) have been included as a "state certified production cost" without an independent determination as to whether these amounts should be subject to Rhode Island State income tax withholding. It is further assumed that all loan-out companies have obtained the required compliance certificate from the State of Rhode Island.

Production costs paid through the date of this report for goods received or services rendered from the end of production (<<month>> <<day>>, <<year>>) through the date of this report in the production of the movie will be included as a "state certified production cost" as of <<month>> <<day>>, <<year>>. These costs exclude any post-production expenses, unless completed in Rhode Island, or re-shoots of the principal photography.

All goods and services purchased for use in the production of the movie in the State of Rhode Island will be included as a "state certified production cost" as long as a "qualified vendor" was utilized. ***A "qualified vendor" means any individual, partnership, corporation, limited liability company or other business entity, that (1) provides goods and services to a state certified motion picture during production; (2) who maintains a place of business in Rhode Island; (3) is subject to Rhode Island taxation; and (4) is qualified to do business in Rhode Island.***

It was assumed that all leased equipment and vehicles were used solely in Rhode Island.

Compensation for certain directors and producers was based on the amount specified in their contracts for pre-production and production time, which had been based at <<amount>> percent of the total compensation. The <<amount>> percent of the total compensation was then multiplied by the percentage of the number of days spent working in Rhode Island. Compensation included for certain writers is for writing services performed in Rhode Island.

All travel expenses incurred to bring persons employed either directly or indirectly in the production of the film to Rhode Island have been included as a "state certified production cost".

The Company's principal photography unit shot <<number of>> days in <<non-Rhode Island location>>. All costs associated with this location were not included as a Rhode Island State Certified production cost.

NOTE 3 - PROPERTY AND EQUIPMENT

Management has excluded 25 percent of the cost of property and equipment in order to approximate current resale value.